Chapter 7

Taxes

7.0 Taxes

7.1 Excise. As an agency of the Commonwealth of Virginia, Radford University is generally exempt from paying federal excise taxes, except for excise taxes for air transportation, the cost of which is generally defined as any amount paid within the United States for transportation of any person by air. Certain vaccines also require that an excise tax be paid by the University.

7.2.1 State Sales. As an agency of the Commonwealth of Virginia, Radford University is generally exempt from paying Virginia's sales taxes on purchases of tangible personal property for its use or consumption. The University's Tax Exemption Certificate (COV Form ST-12, Appendix R: Form R1) can be found at the Department of Procurement and Contracts website.

7.2.2 Sales and Use Tax Payments- The tax applies when such sales are made without the required purchase order and are not paid using public funds. No exemption to the sales and use tax is provided for university employee purchases of meals or lodging whether purchases are pursuant to required official purchase orders or not. The following examples are offered to show that taxes apply to lodging and conference facilities under a variety of circumstances:

- **Hotels, motels, tourist camps, etc. (Generally).** The tax applies to the sale or charge for any room or rooms, lodgings or accommodations furnished to transients by any hotel, motel, inn, tourist camp, tourist cabin, camping grounds, club, or other similar place. The tax applies to all sales of tangible personal property by such business.

- **Charges in connection with accommodations.** Any additional charges made in connection with the rental of a room or other lodging or accommodations are deemed to be a part of the charge for the room and are subject to the tax. For example, additional charges for internet, local telephone calls and similar services are subject to the tax. Toll charges for long-distance telephone calls are not subject to the tax.

- **Meals (Generally).** Retail sales of meals by restaurants, hotels, motels, clubs, caterers, cafes, and others are taxable. Related service charges (examples: cover charge, minimum sales fee, or room service charges) are part of the sales price and are taxable. Any applicable tips are not subject to sales tax.
References:

Appendix R: University’s Tax Exemption Certificate (COV Form ST-12) (Form R1)
http://www.radford.edu/content/dam/departments/administrative/purchasing/F002-%28ST12%29-SALES-AND-USE-TAX-CERTIFICATE-OF-EXEMPTION.pdf